

The Illinois Department of Revenue does not administer the tax on electricity set forth in the Illinois Municipal Code, 65 ILCS 5/8-11-2. (This is a GIL).

August 31, 1999

Dear Xxxxx:

This letter is in response to your letter dated July 6, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

This letter is a written request for an opinion on a tax exemption status of the municipal tax paid to utility companies. We have received verification that the state excise tax is not exempt; however, it is our opinion that the municipal tax is not part of the state excise tax, but rather a service tax that is exempt by law.

ORGANIZATION is a not for profit entity and have been issued tax exemption identification number #### and our tax ID # is ####. Your prompt attention to this request would be greatly appreciated.

The Illinois Department of Revenue does not administer the tax on electricity set forth in the Illinois Municipal Code, 65 ILCS 5/8-11-2. Therefore, we are unable to rule on its application. You should contact the municipality administering the tax for information regarding tax exempt status.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis
Associate Counsel

MAJ:msk
Enc.